WANUSKEWIN HERITAGE PARK AUTHORITY

1998/99

ANNUAL REPORT

For the Year Ended March 31, 1999

Profile

On the edge of the Canadian prairie where the Opimihaw Creek flows into the South Saskatchewan River, the First Peoples of this country found peace and sustenance in a place that has changed very little over thousands of years. Countless generations have returned to this valley to feast, seek guidance, dance and tell stories. In the First Nations' community Wanuskewin is remembered as a meeting place, a place of spiritual renewal. The name **Wanuskewin** is a Cree word chosen by Elders to describe the history of the place. Loosely translated, **Wanuskewin** means *"seeking peace of mind"* or *"living in harmony"*.

Wanuskewin Heritage Park is a National Historic Site that brings to life the history and culture of the Northern Plains First Nations peoples. The 320-acre Park, located five kilometers north of the city of Saskatoon, was dedicated by Her Majesty Queen Elizabeth II in 1989 and established by the province of Saskatchewan in 1992 as a living memorial to the people who have gathered on the site for over 6,000 years. The 31,000 square foot Visitor Centre and Park environs feature an Art Gallery, Gift Shop, Theatre, Archeology Lab, Museum, Restaurant and Meeting Facilities, Activity areas, Amphitheatre, Pow Wow Arbor, Tipi Village, Picnic sites and Sweat Lodge. Several kilometers of Interpretive Trails lead to tipi rings, bison jumps, a medicine wheel, bison rubbing stone and 19 historical habitation sites.

Stewardship of the Park and its resources rests with the Wanuskewin Heritage Park Authority established under the Wanuskewin Heritage Park Act of Saskatchewan. The Authority is also a registered charitable organization in Canada.

Early in the Park's planning stages an Elders' Committee issued a resolution on spiritual values in order to maintain the sacredness of what the First Nations believe had been bestowed upon them by the Great Spirit. Elders continue to provide an important advisory role on the cultural aspects of programming and development at the Park through the nonprofit corporation... Wanuskewin Indian Heritage Inc.

Mission Statement

The mission of the Wanuskewin Heritage Park Authority is to "*Increase public awareness, understanding and appreciation of Northern Plains Indian culture through the effective operation of an internationally recognized heritage facility featuring integrated programs and services*".

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Park Act and Board of Directors

The Wanuskewin Heritage Park Act was proclaimed in September 1989 by the Government of Saskatchewan, and a separate organization was established to operate Wanuskewin Heritage Park Authority.

Each of the major stakeholders who played a role in the Park's development are represented in the Park's board of directors: Wanuskewin Indian Heritage Inc., the City of Saskatoon, the Government of Saskatchewan, the Government of Canada, Meewasin Valley Authority, Wanuskewin Circle of Friends (volunteer body), Federation of Saskatchewan Indian Nations, and the University of Saskatchewan.

The 1998-1999 WHPA Board of Directors:

- **Cy Standing,** (Chairman) Wanuskewin Indian Heritage Inc.
- **Lloyd Brass,** Wanuskewin Indian Heritage Inc.
- **Austin Beggs,** Friends of Wanuskewin
- **Ken Zeigler,** Friends of Wanuskewin
- **Dona Racette,** Friends of Wanuskewin
- **Gwen Charman,** Meewasin Valley Authority
- **Donna Birkmaier,** City of Saskatoon
- **Lynne Pearson,** University of Saskatchewan
- **Vernon Bellegarde,** Government of Saskatchewan
- **Judge Mary Ellen Turpel Lafond,** Friends of Wanuskewin
- **Dutch Lerat,** Saskatchewan Indian Gaming Authority
- **Ernie Walker,** Friends of Wanuskewin
- **Vacant,** Government of Canada

Park Objectives

1. **Cultural**
   To provide a focus for the expression of the cultural heritage of the Northern Plains Indians by preserving the site's spiritual character and artifacts, and provide opportunities for Indian cultural activities that promotes and strengthens the Northern Plains Indian culture.

2. **Educational**
   To increase public knowledge regarding the Northern Plains Indian culture from precontact times to the present, the inter-dependence between society and the natural environment and the use of various scientific disciplines to understand the Northern Plains Indian cultural heritage and its importance to the present and the future.

3. **Tourism**
   To market and promote the Park as an attraction of national and international significance, and to use the park to enhance the status of Saskatoon and Saskatchewan as destinations for tourists.

4. **Economic**
   To maximize direct employment and indirect commercial benefits in the Saskatoon area with particular emphasis on the benefits to Indian people.

5. **Research**
   To promote and foster multi-disciplinary scientific research to increase knowledge about the Wanuskewin Heritage Park site and the Northern Plains Indian peoples.

6. **Resource Management**
   To conserve archaeological, natural, and cultural resources and to manage natural site features in response to the needs of site interpretive programs and cultural activities.

7. **Development Model**
   To establish the park as a model for Indian involvement in such projects, and as a model for cooperative arrangements among the public and private sectors.

8. **Operation and Management**
   To achieve and maintain a level of financing from site revenue and other sources that will sustain the park's operation, and to manage the park in a manner that contributes to the attainment of the park's objectives.

Message from the Chairman

The 1998/99 operational year provided Wanuskewin with many opportunities and challenges.

I am proud of the efforts our volunteer Board members and staff have taken to ensure Wanuskewin retains the cultural integrity of such an important National Heritage Site.

Our programming and services continue to provide an important link in the awareness and understanding of Aboriginal culture and in particular that of the Northern Plains Indians.

The activities and initiatives led by Wanuskewin continue to enhance the advancement of Aboriginal Heritage Tourism within the province of Saskatchewan, Canada and abroad. Wanuskewin attracts a significant number of visitors from outside the greater Saskatoon area providing a positive economic impact to the city and its business community.

We are particularly proud of our ability to provide employment and training opportunities for Aboriginal persons from around the province at our facility and through various outreach and performing and visual arts initiatives.

Core funding to support the infrastructure, programs and initiatives of Wanuskewin continues to remain a challenge.
We are thankful for the generous support of Wanuskewin's Circle of Friends, Government of Saskatchewan, City of Saskatoon and our corporate partners.

Cy Standing
Chairman

Operational Activities

During the course of the year the Wanuskewin Heritage Park Authority (WHPA) was engaged in a number of educational and cultural activities involving over 41,500 visitors. Several of these initiatives held between April 1, 1998 and March 31, 1999 are hi-lited below:

- Held a 3-day mid-week Traditional Pow Wow in May 1998 involving 306 dancers of all ages and 23 drum groups. This attracted an estimated 9,000 spectators
- Held the Tawow Cultural Festival in July 1998
- Successfully hosted 5 visitor groups involving 1,000 participants from the "American Orient Express"
- In partnership with the Premier's Office hosted the Canadian Premier's Conference and their families
- Involved with RCMP Musical Ride held at Sask Place in Saskatoon, June 1998
- Folk Fest '98 in partnership with the Saskatoon Indian and Metis Friendship Centre
- Hosted a Memorial Celebration for First Nation Veterans November 11th
- Held Story telling and Snow Sculpture Festival in the January 1999 involving numerous schools and community groups from the greater Saskatoon area
- Conducted a successful Outreach Program to Saskatoon Inner City community providing weekly Pow Wow dance lessons from October 1998 to March 1999
- Received WCB Merit Rebate award for safe work practices

The Wanuskewin Gallery, under the guidance of Joyce Bear, featured 5 exhibitions including; Saulteaux sculpture by Mary Longman, the Umperville Cultural artifacts collection, Native American Games exhibit from Oklahoma, Ed Poitras' "Politics of the Land", Allan Sapp, Ruth Cuthand's "Indian Portrait; Late 20th Century".

Visitor Services programming was adjusted as a result of an inability to replace the "Living Cultural Village" infrastructure damaged beyond repair by the previous year's adverse weather conditions and deterioration of certain physical structures. Development of a Puppet Show and traditional pottery making demonstrations were included in this year's seasonal programming. The department was also engaged in the development of an Aboriginal Heritage Interpreter Manual for the Canadian Tourism Human Resource Council.

The Wanuskewin International Dance Troupe, sponsored in part by the Saskatchewan Indian Gaming Authority (SIGA), traveled to Italy as part of the Canadian Tourism Canada initiative to expand Canada's Aboriginal Tourism into

emerging European markets. The dance troupe also provided performances with individual performers being featured throughout the summer months at the Park's 2 p.m. dance performance and two highly acclaimed performances at the Saskatchewan 'Dare to Dance' Festival in Saskatoon and Regina.

Archeological activity included hosting the University of Saskatchewan Archeology department 's summer field school which commenced work on the Meewasin Buffalo Pound site.

This was the final year of the Environmental Partners Action 21 project dealing with control of noxious weeds and reseeding of various areas to natural grasslands which were being displaced with nonnative grasses.

In partnership with SaskEnergy, Wanuskewin continued with the development and delivery of an Aboriginal Awareness Education program. Nine 2-day workshops were delivered on-site.

A successful Craft Sale was held in the fall of 1998 organized through the Wanuskewin Gift Shop.

39% of the Park's revenues were self-generated

Challenges

As the Park's infrastructure matures in age certain signs of wear and obsolescence are becoming evident. In particular the Visitor Centres flat roof was failing and requires replacement, The mechanical systems (boilers, heat pumps, grinder pumps, hot water tanks, and air units) and electrical systems required various levels of preventative and emergency maintenance including replacement of failing units and system components. Various operational problems were experienced with office support equipment including the copier, fax, LAN server and aging computer hardware. These problems have been taxing on the financial and human resources of the organization.

Annual attendance figures declined to 41,494 from 52,626 the year previous. Of particular note was the decline in visitation during the months of May thru July (11,770). Part of this decline could be attributed to inclement weather and reduced local marketing initiatives.

The accumulated deficit of $226,100, of which $121,300 was incurred in the current year, has placed significant financial pressures on Wanuskewin's ability to service existing debt, provide programming and meet operational overhead expenses. A significant portion of the current year's debt was incurred as a result of a less than effective corporate fundraising campaign, which included the "Return of the Bison". The cost of retaining the fundraising firm NetGain from Ontario did not yield the positive cash investment for these projects that had been anticipated. Cost over runs on the AAE consulting services and Tawwow Festival also contributed to the operational losses.

The announced reduction of financial support from the City of Saskatoon in a narrow vote by the current council (6:5) from $240,000 to $50,000 over a period of 7 years ($27,000 annually) will compound the financial challenges facing the Park.

Securing a land base surrounding the Park as a buffer to the natural environment being preserved such as the natural prairie grasslands within the Park's boundaries and establishing an on-site bison herd with sufficient grazing reserves remains a priority. Park staff continues to face the challenges of containment of noxious weeds and woody stemmed plants in grassland areas. Management of riparian zones requires balancing the Park's beaver population and activities with the need to ensure aquatic habitats are preserved.

Due to financial constraints human resources were reduced to less than optimum levels from September through March. Retention of qualified personnel due to lack of budget for salary maintenance to match the rises in the cost of living and skill enhancement became problematic.

Future Direction

The Park Board and management will be focusing their priorities in the following areas:

The need to refinance the current debt load

Further development of the Aboriginal Awareness Education Program (AAE) and converting marketing efforts into delivery of at least 20 workshops per year

Enhancing revenue streams through targeted marketing of our catering and meeting facilities and services with First Nations cuisine and Wanuskewin's tranquil location as key attributes

Diversifying revenue streams through alternatives sources of self-generating activities

Improving operational cost effectiveness

Improving marketing and programming efforts to enhance visitations

Addressing concerns related to infrastructure issues

Securing the participation of the Federal Government in core operational funding and representation at the Board level

Review and updating operational policies

Sponsors:

PLATINUM
($200,000 +)

SaskEnergy
SIGA
Saskatchewan Government
Saskatchewan Lotteries

GOLD
($75,000 - $199,999)

SaskTel
Wascana Energy Inc.
Aboriginal Business Canada
Weston Foundation
Environment Canada
City of Saskatoon
Urban Multi – Purpose Aboriginal Youth Center Initiative

SILVER
($25,000 - $74,999)

Museums Assistance Program
Western Economic Diversification
Tourism Saskatchewan
Saskatoon Tribal Council Urban First Nations Services

BRONZE
($5,000 - $24,999)

Saskatoon Foundation
ArtsSmart
Federation of Saskatchewan Indian Nations
Saskatchewan Arts Board
Canada Council for the Arts
Human Resources Development Canada
Native Arts Grant
Canadian Museums Association Young Canada Works
Saskatoon Community Services Department Aboriginal Programs
Office of the Treaty Commissioner
Saskatoon Indian & Metis Friendship Center
Saskatchewan Indian Cultural Center
National Aboriginal Achievement Foundation
Saskatchewan Education Partnership Program
Future Skills

KPMG

Financial Statements of

WANUSKEWIN HERITAGE PARK CORPORATION

Year ended March 31, 1999

WANUSKEWIN HERITAGE PARK CORPORATION

Balance Sheet

March 31, 1999, with comparative figures for 1998

	1999	1998
Assets		
Current assets:		
Accounts receivable	$ 95,890	$ 118,174
Prepaid expenses	16,991	42,908
	112,881	161,082
Capital assets (note 4)	7,805,079	8,290,108
Due from Wanuskewin Indian Heritage Inc.	218,941	218,841
	$ 8,136,901	$ 8,670,031
Liabilities and Fund Balances		
Current liabilities:		
Outstanding cheques less cash in bank	$ 16,044	$ 39,594
Line of credit (note 4)	316,462	282,286
Accounts payable and accrued liabilities	250,744	117,450
	583,250	439,330
Deferred capital fundraising	-	57,299
Deferred contributions related to capital assets (note 5)	7,345,747	7,844,193
Fund balances:		
Contribution related to land	434,006	434,006
General	(226,102)	(104,797)
	207,904	329,209
Going concern (note 2)		
Commitment (note 8)		
	$ 8,136,901	$ 8,670,031

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

WANUSKEWIN HERITAGE PARK CORPORATION

Statement of Operations and General Fund Balance

Year ended March 31, 1999, with comparative figures for 1998

	1999	1998
Revenue:		
Grants	$ 742,487	$ 732,883
Amortization of deferred contributions	498,446	495,741
Programs and other	240,313	112,841
Admission fees and memberships	137,721	146,472
Donations	77,741	1,697
Occupancy and rental	25,773	25,595
	1,722,481	1,515,229
Expenses:		
Programs	541,707	391,254
Depreciation and amortization	503,332	499,884
Executive	321,563	275,858
Resource management	200,907	230,633
Marketing	133,778	131,368
Corporate development	132,556	78,314
Human resource development	9,943	3,699
	1,843,786	1,611,010
Excess of expenses over revenue	(121,305)	(95,781)
General fund balance, beginning of year	(104,797)	(9,016)
General fund balance, end of year	$ (226,102)	$ (104,797)

See accompanying notes to financial statements.

WANUSKEWIN HERITAGE PARK CORPORATION

Statement of Cash Flows

Year ended March 31, 1999, with comparative figures for 1998

	1999	1998
Cash provided by (used in):		
Operations:		
Excess of expenses over revenue	$ (121,305)	$ (95,781)
Items not requiring (providing) an outlay of cash:		
Depreciation and amortization	503,332	499,884
Amortization of deferred contributions	(498,446)	(495,741)
Deferred grants for capital asset purchases	(57,299)	-
Change in non-cash operating working capital:		
Accounts receivable	22,284	(63,329)
Prepaid expenses	25,917	(28,879)
Accounts payable and accrued liabilities	133,294	1,824
	7,777	(182,022)
Investing:		
Purchase of capital assets	(18,303)	(10,795)
Financing:		
Advances to Wanuskewin Indian Heritage Inc.	(100)	2,045
Decrease in cash position	(10,626)	(190,772)
Cash position, beginning of year	(321,880)	(131,108)
Cash position, end of year	$ (332,506)	$ (321,880)

Cash position consists of outstanding cheques less cash in bank and line of credit.

See accompanying notes to financial statements.

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AUDITORS' REPORT TO THE BOARD

We have audited the balance sheet of Wanuskewin Heritage Park Corporation as at March 31, 1999 and the statements of operations and general fund balance and cash flows for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 1999 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Saskatoon, Saskatchewan
May 21, 1999

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WANUSKEWIN HERITAGE PARK CORPORATION

Notes to Financial Statements

Year ended March 31, 1999

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1. **Purpose of Wanuskewin Heritage Park Corporation:**

   Wanuskewin Heritage Park Corporation ("WHPC") was established to operate the Wanuskewin Heritage Park which commenced full time commercial operations on June 1, 1992. WHPC is a registered charity (#0913384-52).

2. **Going concern:**

   WHPC has incurred significant operating losses in each of the past two years which has resulted in a working capital deficiency which has been financed by an operating line of credit and trade creditors. Lenders have allowed WHPC to temporarily exceed the approved line of credit (note 4). Certain suppliers have ceased to provide credit to WHPC until outstanding balances have been repaid. WHPC has also been informed that annual grant funding from the City of Saskatoon will be reduced from $240,000 per year to $50,000 per year in gradual steps over the next seven years. Management has indicated that negotiations with lenders are ongoing to refinance the existing line of credit. In addition, WHPC is working on a fundraising campaign and is negotiating with a number of funding agencies to increase grant funding.

   Notwithstanding the effect of these events, the financial statements have been prepared on a going concern basis which assumes the realization of assets and liquidation of liabilities in the normal course of business. The application of the going concern concept is dependent on WHPC's ability to generate future profitable operations and refinance existing current liabilities under favourable trade terms.

3. **Significant accounting policies:**

   (a) Revenue and expense recognition:

   Revenue and expenses are recorded in the financial statements on the accrual basis. Under this method revenue is recognized in the fiscal period during which it becomes receivable. Expenses are recorded when goods or services are received.

3. Significant accounting policies (continued):

(b) Capital assets and deferred contributions:

Capital assets are stated at cost and depreciated over the estimated useful lives of the assets on a straight-line basis at the following rates:

Asset	Rate
Equipment	10%
Vehicles	20%
Buildings and site development	4%

Funding, consisting mainly of grants and donations, received for capital asset acquisitions is deferred and amortized on the same basis as the asset to which it relates is depreciated.

(c) Deferred grants for capital asset purchases:

Funds were received by the corporation which were designated by the contributor for future capital acquisitions and were deferred until capital assets were acquired. Once capital assets were acquired, the related deferred revenue was allocated to deferred contributions related to capital assets.

During the year, the restrictions on these funds were removed by the contributor and the remaining deferred revenue balance was recognized as grant revenue in the statement of operations.

(d) Estimates:

The financial statements are prepared by management in accordance with generally accepted accounting principles. Management makes various estimates and assumptions in determining the reported amounts of assets and liabilities, revenues and expenses for each year presented. Changes in estimates and assumptions will occur based on the passage of time and the occurrence of certain future events.

4. Capital assets:

	Cost	Accumulated depreciation	1999 Net book value	1998 Net book value
Park site:				
Land	$ 434,006	$ -	$ 434,006	$ 434,006
Buildings and site development	9,004,389	2,461,202	6,543,187	6,903,363
	9,438,395	2,461,202	6,977,193	7,337,369
Park site - Phase II:				
Site improvements and interpretive displays	1,196,180	426,518	769,662	901,318
Other:				
Equipment and vehicles	113,474	55,250	58,224	51,421
	$ 10,748,049	$ 2,942,970	$ 7,805,079	$ 8,290,108

A lender to Wanuskewin Indian Heritage Inc. ("WIHI") has a specific assignment of interest in land and buildings leased by WHPC to WIHI for a loan in the amount of $156,005 at March 31, 1999.

5. Line of credit:

Peace Hills Trust $250,000 line of credit facility due June 30, 1999 bears interest at prime plus 2% and is secured by a general security agreement. At March 31, 1999, WHPC exceeded this limit by $66,462. The amount in excess of the credit facility bears interest at 24%.

6. Deferred contributions related to capital assets:

	Contributions	Accumulated Amortization	1999 Net Book Value	1998 Net Book Value
Park site:				
Buildings and site development	$ 9,004,379	$ 2,461,202	$ 6,543,177	$ 6,903,353
Park site - Phase II:				
Site improvements and interpretive displays	1,196,179	426,517	769,662	901,317
Other:				
Equipment and vehicle	60,213	27,305	32,908	39,523
	$ 10,260,771	$ 2,915,024	$ 7,345,747	$ 7,844,193

7. Related party transactions:

During the year WHPC had the following transactions with Wanuskewin Indian Heritage Inc. ("WIHI"):

Accounting recovery	$ 15,000
Other expenses	(4,900)
Operating grant paid	(10,000)

WHPC provides space to WIHI for the operation of a restaurant and gift shop for which no charges were made in 1999.

The amount due from Wanuskewin Indian Heritage Inc. is non-interest bearing with no fixed repayment terms. Due to the non-arm's length relationship between the parties, the fair market value of this receivable is not readily determinable.

8. Commitment:

WHPC is committed to expenditures of $45,000 from future net profits generated on Aboriginal Awareness training programs.

9. Uncertainty due to the Year 2000 Issue:

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure which could affect and entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the entity, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved.